



EXHIBIT

Exhibit 332

exhibit332.com

In re: LTL Management LLC

EXPERT REPORT OF SAUL E. BURIAN

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JANUARY 28, 2022

Company Overview

Johnson & Johnson

Headquarters: New Brunswick, NJ

Founded: 1886

Ticker: JNJ (NYSE)

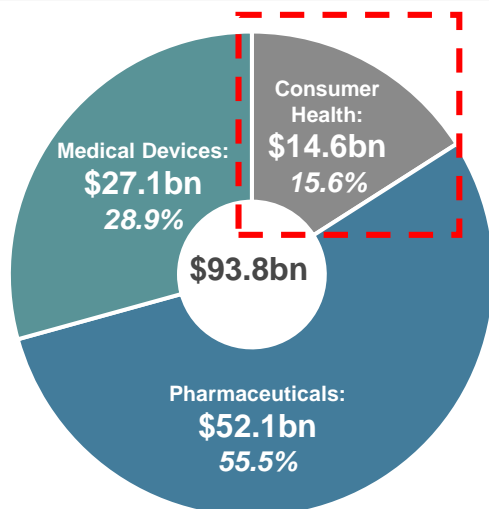
Employees: ~135,000

Investors: BlackRock, Vanguard, State Street

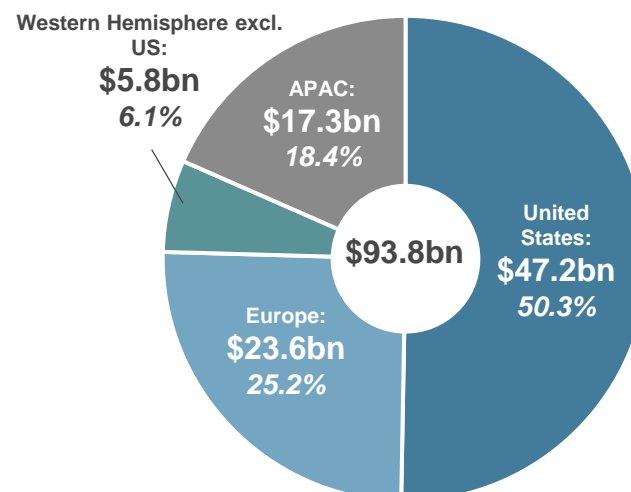
J&J is a global company primarily focused on products related to human health and wellbeing. J&J is organized into three business segments:

- **Consumer Health** – includes a broad range of products focused on personal healthcare used in the skin health/beauty, OTC medicines, baby care, oral care, women’s health and wound care markets
 - Key Brands/Products: Zyrtec, BAND-AID, Listerine, Motrin, Aveeno, Neutrogena
- **Pharmaceutical** – focused on six therapeutic areas including Immunology, Infectious Diseases (e.g., HIV/AIDS) and Neuroscience
 - Key Brands/Products: Stelara, Erleada, Darzalex, Uptravi, Imbruvica
 - The Company produced one of the three authorized COVID-19 vaccines in the United States
 - ~15 million Americans have received the Johnson & Johnson single-dose vaccine
- **Medical Devices** – includes a broad range of products used in the Interventional Solutions, Orthopaedics, Surgery, and Vision fields
 - Key Brands/Products: Contact lenses; surgical vision tools; electrophysiology products; products in support of hips, knees, trauma and spine; and advanced and general surgical offerings

FY 2021 Net Sales Breakdown by Segment



FY 2021 Net Sales Breakdown by Geography



A J&J’s Size and Scale

Johnson & Johnson is one of the most valuable companies in the world. It has the 9th highest market value of any S&P 500 constituent company, which is more than 14 times greater than the S&P 500 median market value of \$32.0 billion⁽¹⁾

J&J Market Value⁽¹⁾

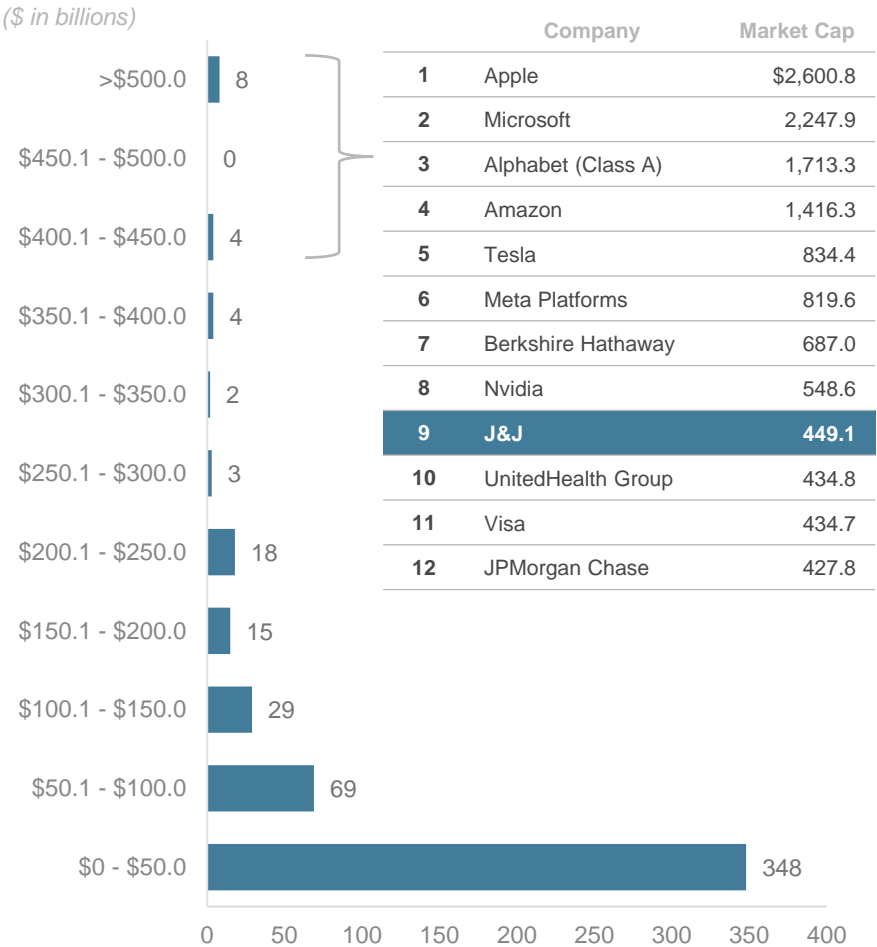


J&J Total Enterprise Value (TEV) Build^(1,2)

Stock Price	\$170.59
Shares Outstanding (Basic)	2.6
Market Capitalization	\$449.1
Plus: Total Debt	33.9
Less: Cash	(17.6)
Less: Marketable Securities	(13.4)
Total Enterprise Value	\$452.0

Source: Company SEC filings, CapIQ
(1) Market capitalization as of Jan. 27, 2022 per CapIQ
(2) Total debt, cash and marketable securities as reported in J&J's 3Q 2021 10-Q; Data for 4Q 2021 is not yet available at the time of this report

Market Value Comparison: S&P Constituents⁽¹⁾

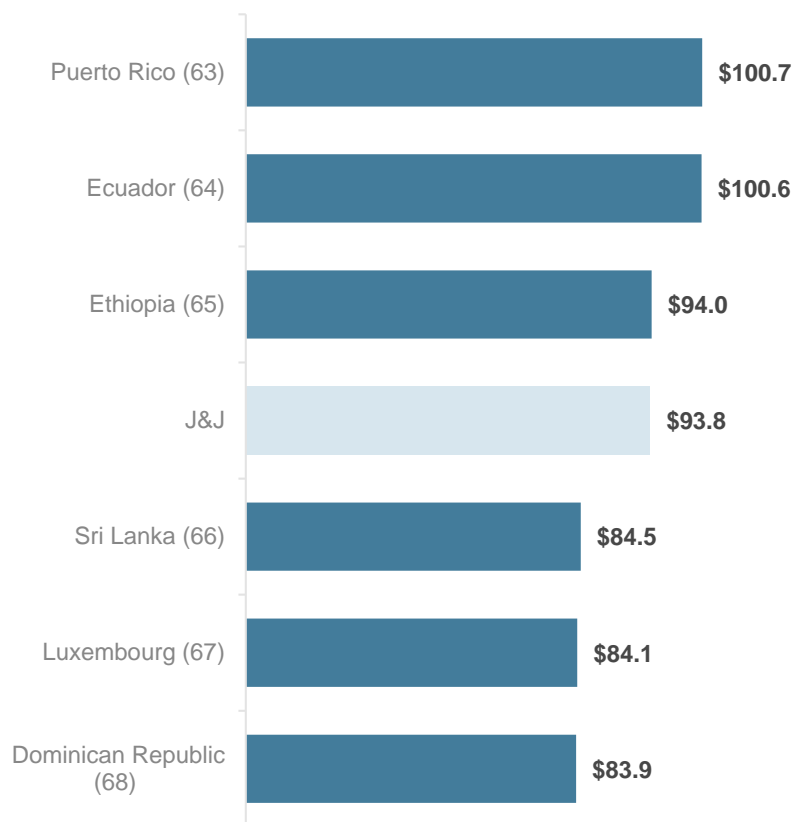


A J&J's Size and Scale

J&J stands among the most financially strong and stable companies in the world – using its annual revenue as a proxy for GDP would place J&J in the top third of all countries in the world ranked by GDP. J&J is also one of the largest companies in the S&P 500, falling in the top 10% of all constituents on an LTM revenue basis

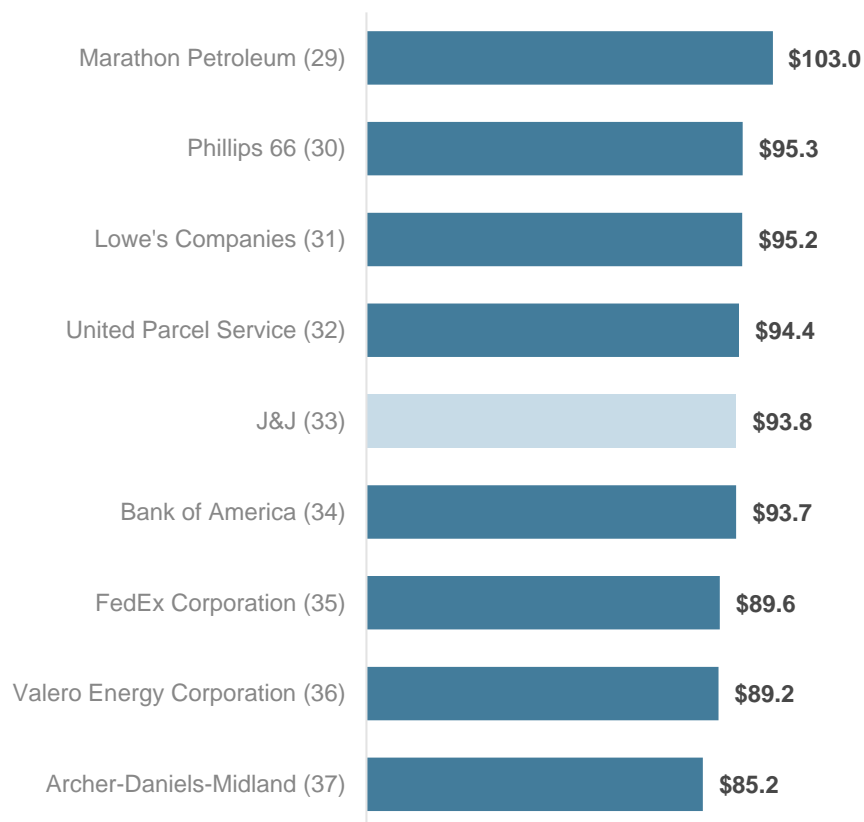
FY 2021 Revenue Comparison: Country GDPs⁽¹⁾

(\$ in billions)



LTM Revenue Comparison: S&P 500 Constituents⁽²⁾

(\$ in billions)



Source: CapIQ, IMF

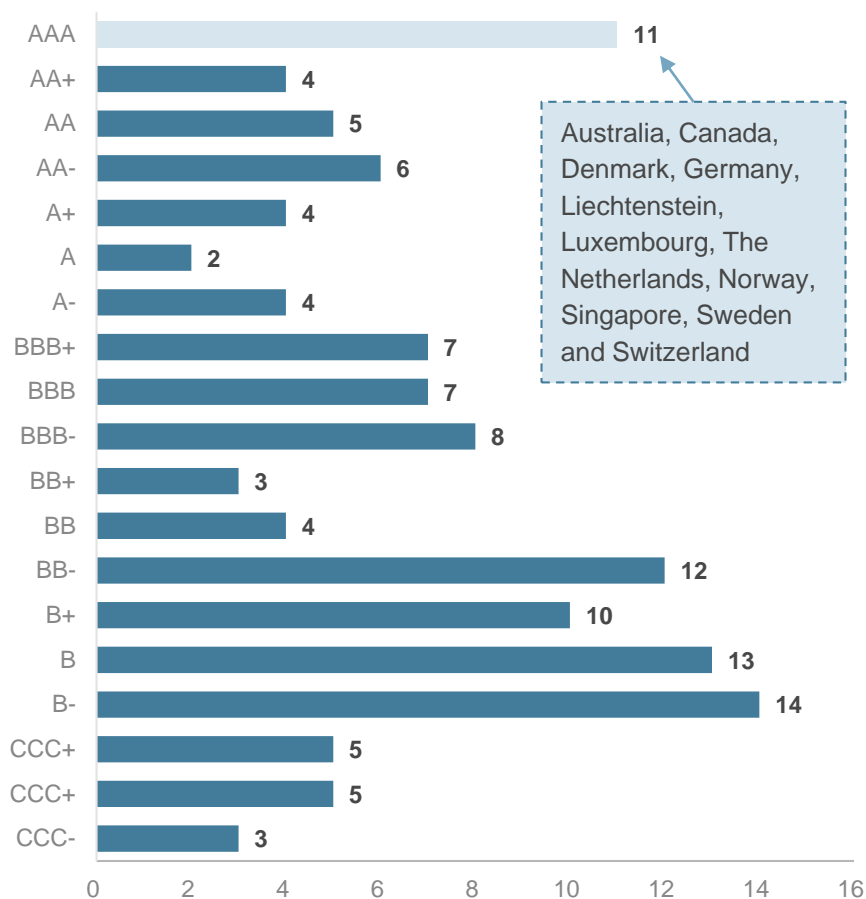
(1) Country GDPs given by the IMF's World Economic Outlook database as of April 2021. GDP is not provided for certain countries

(2) LTM Revenue is calculated using the most recently announced four quarterly results for each company as of Jan. 27, 2022 per CapIQ

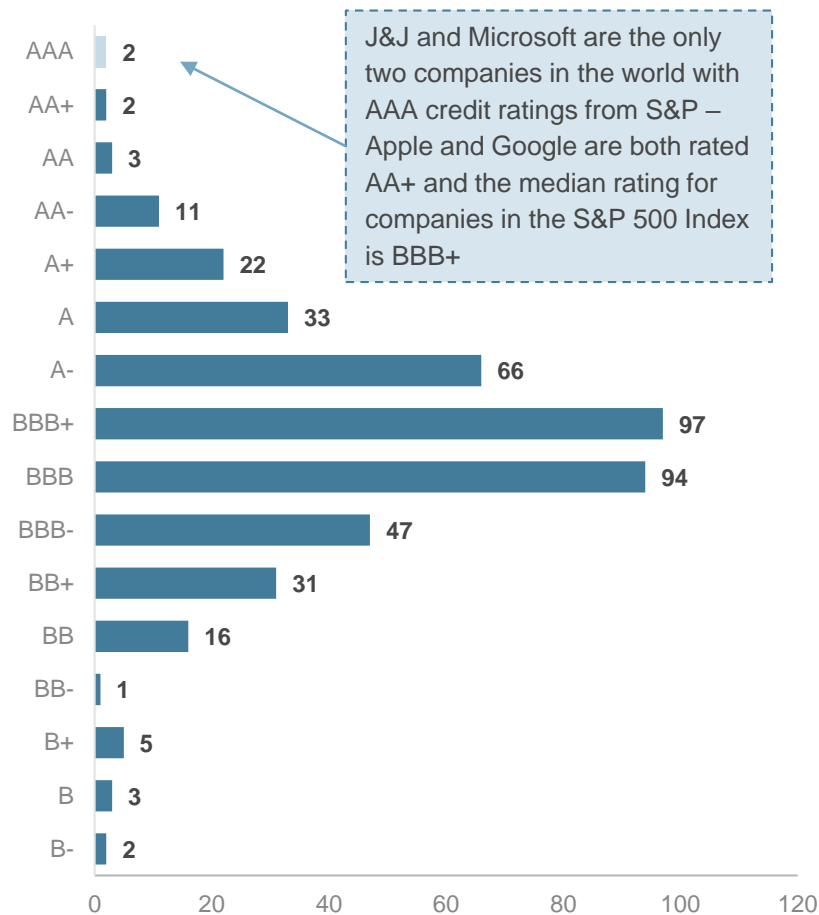
A J&J's Creditworthiness

J&J is one of the most credit-worthy entities in the world. J&J's debt is rated AAA by S&P, the highest rating possible. Only one other company in the world and only 11 countries in the world have a AAA credit rating, giving J&J a higher credit rating than 95% of all countries in the world, including the United States of America (AA+)

Sovereign S&P Credit Rating Comparison



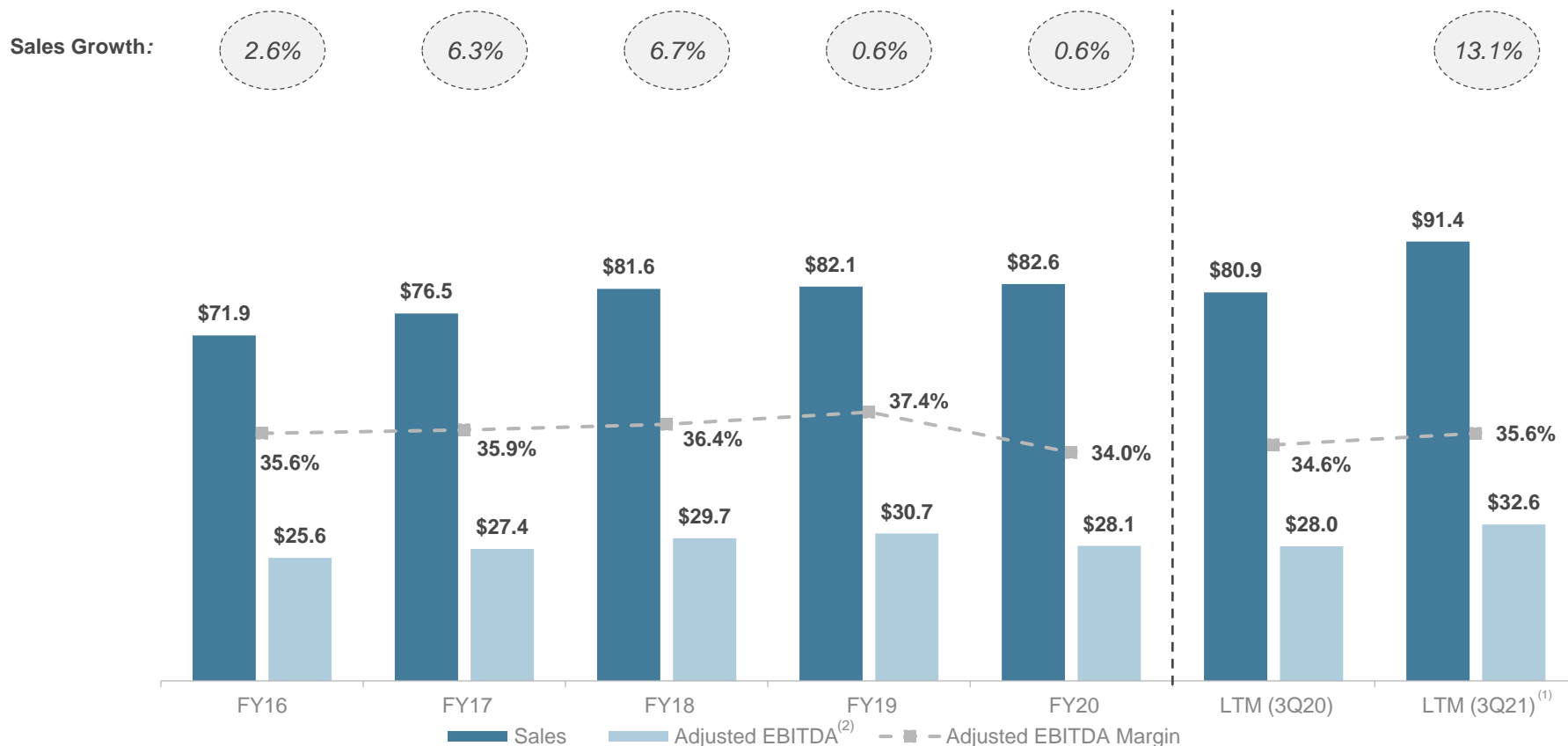
S&P 500 S&P Credit Rating Comparison



A J&J Does Not Exhibit Indicators of Distress

Since 2016, the first year in which J&J reported a significant increase in the number of talc-related claims, J&J has experienced sales growth every year and maintained profitability margins. Furthermore, J&J's sales for the twelve-month period ended October 3, 2021 – less than 2 weeks prior to LTL's Chapter 11 filing – grew 13.1% compared to the twelve-month period ended September 27, 2020

Financial Summary



Source: Company SEC filings

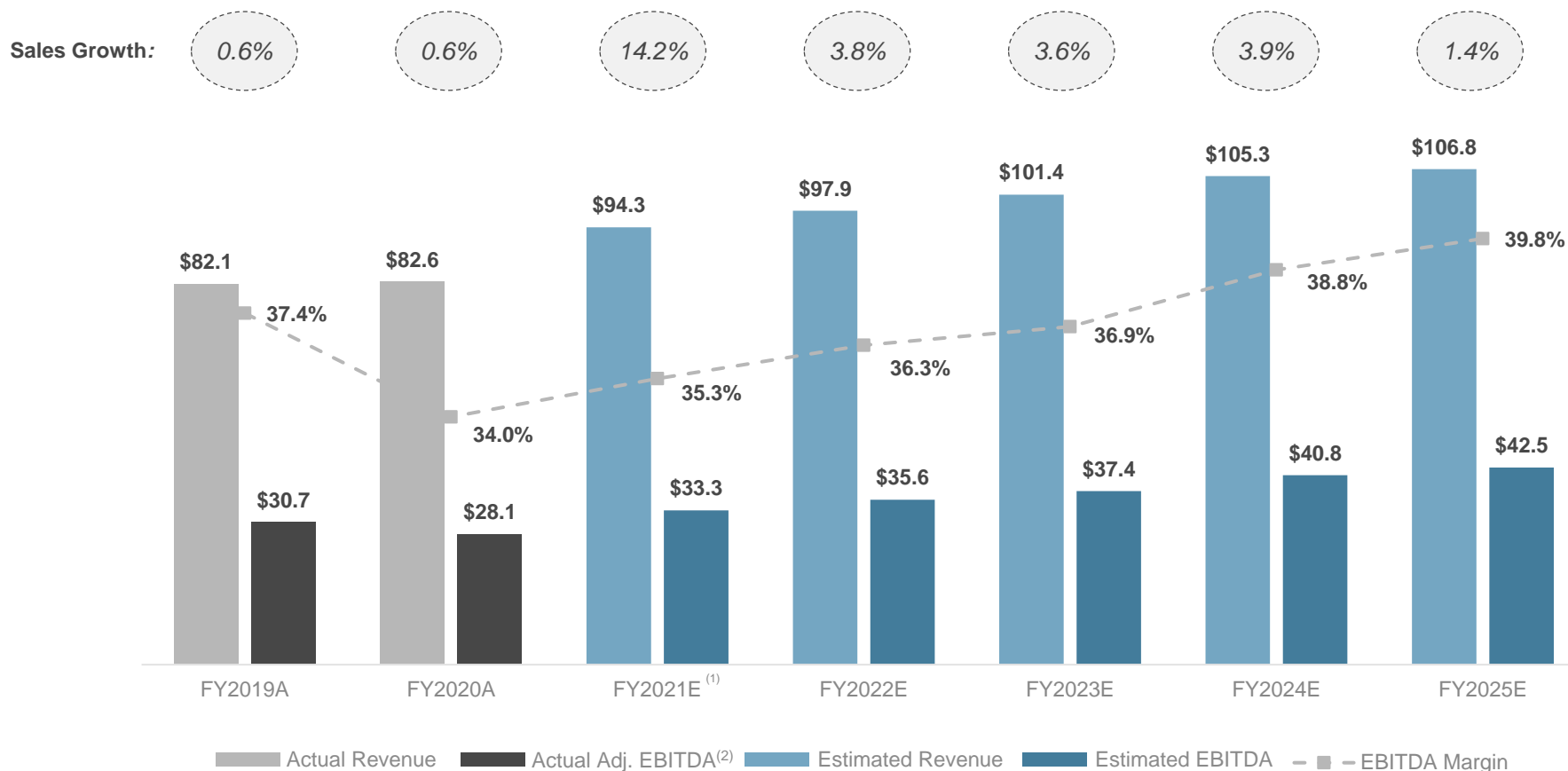
(1) Depreciation and Amortization for 4Q 2021 is not yet available at the time of this report

(2) Adjusted EBITDA is calculated as: Income Before Tax + Intangible Asset Amortization + Restructuring Related Expenses + Litigation Expense + Other Adjustments + Interest Expense, net + Depreciation and Amortization (excluding Intangible Asset Amortization)

B Wall Street Forecasts Continued Strength

Looking to the future, equity research analysts forecast higher sales growth and margin expansion for J&J through 2025 than it delivered in 2019 and 2020. Notably, analysts expect sales growth of 14.2% in 2021, and forecast EBITDA margin to increase steadily to surpass 2019 levels in 2024

Equity Research Consensus Estimates



Source: Company SEC filings, Consensus Estimates per CapIQ

(1) Depreciation and Amortization for 4Q 2021 is not yet available at the time of this report

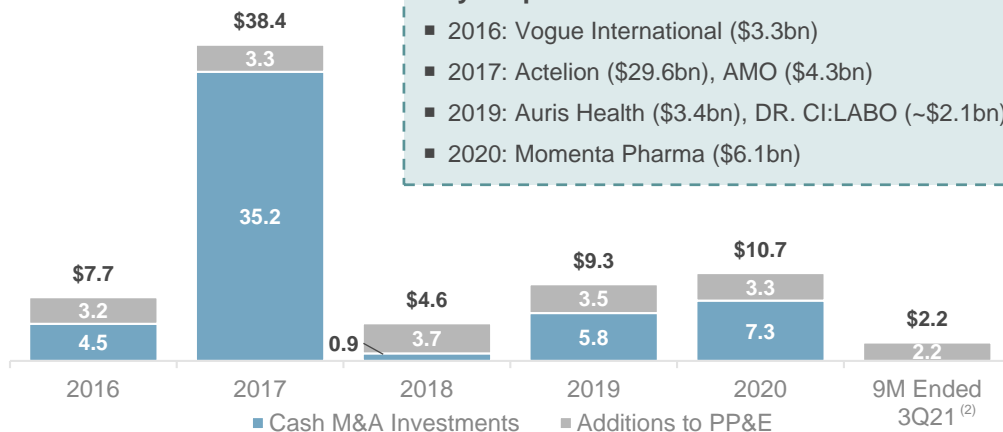
(2) Adjusted EBITDA is calculated as: Income Before Tax + Intangible Asset Amortization + Restructuring Related Expenses + Litigation Expense + Other Adjustments + Interest Expense, net + Depreciation and Amortization (excluding Intangible Asset Amortization)

C J&J's Cash Expenditures and Cash Distributions to Shareholders

J&J has spent billions of dollars on reinvestment and growth expenditures by means of cash M&A and additions to PP&E, all while delivering sizeable, discretionary returns to shareholders via cash dividends and share repurchases

Cash M&A and Capital Expenditures

(\$ in billions)



Key Acquisitions:⁽¹⁾

- 2016: Vogue International (\$3.3bn)
- 2017: Actelion (\$29.6bn), AMO (\$4.3bn)
- 2019: Auris Health (\$3.4bn), DR. CI:LABO (~\$2.1bn)
- 2020: Momenta Pharma (\$6.1bn)

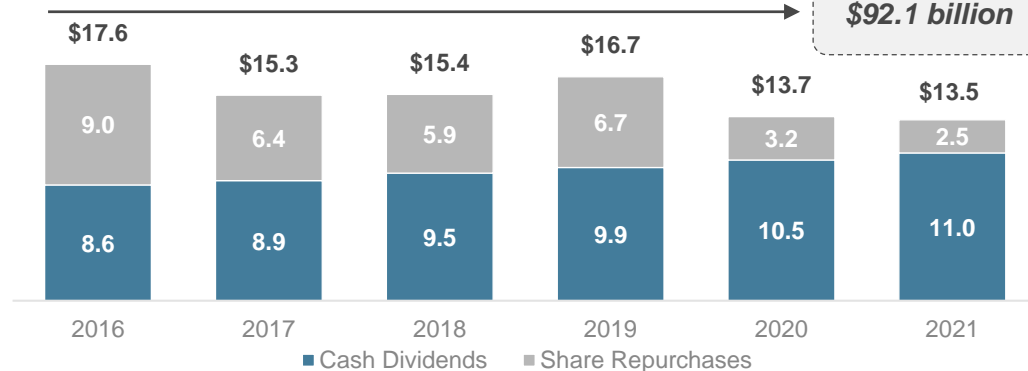
- Since 2016, when talc-related litigation began to accelerate, J&J has invested significantly in M&A and PP&E, spending more than \$70 billion of cash on acquisitions and additions to PP&E throughout its business segments

Cash Dividends & Share Repurchases^(2,3)

(\$ in billions)

2016-21 Cumulative:

\$92.1 billion



- J&J increased its dividend in 2021 for the 59th consecutive year
- J&J paid the 6th most in cash dividends of all S&P 500 companies during the last twelve months as of January 2022⁽⁴⁾
- J&J has also delivered significant sums of cash to shareholders via share repurchases, totaling \$33.6 billion from 2016 through 3Q 2021

Source: Company SEC filings, press releases and presentations, Bloomberg

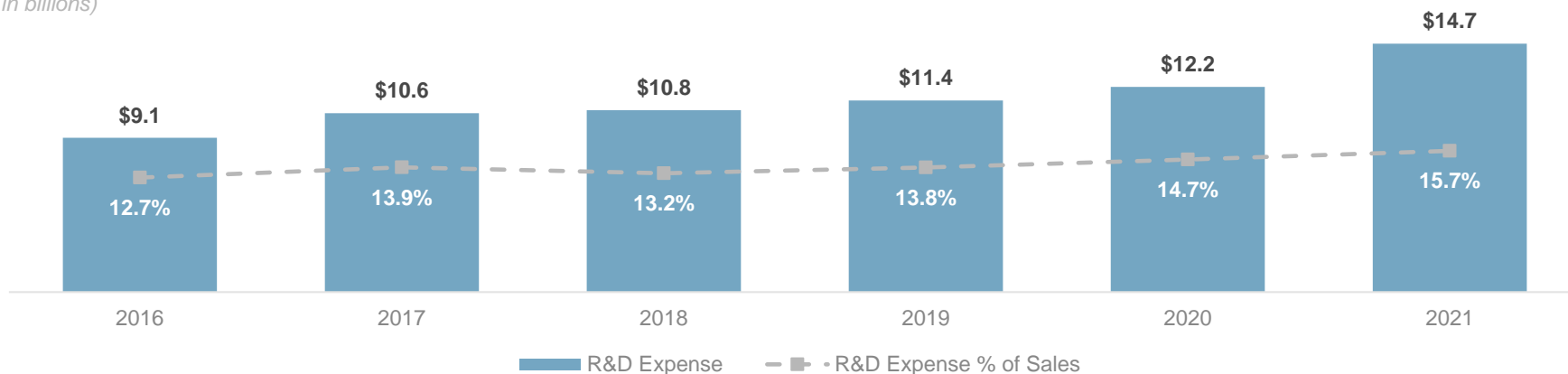
(1) Vogue International and DR. CI:LABO are included in the Consumer Health segment; (2) Data for 4Q 2021 is not yet available at the time of this report; (3) Full year 2021 cash dividend of \$11.0 billion as disclosed in 4Q 2021 earnings call presentation, p. 20; Share repurchases as reported through 3Q 2021; (4) Per Bloomberg as of Jan. 27, 2022

C J&J's Operating Expenses

J&J has increased R&D investment every year since 2016, and maintained consistent selling, marketing, and administrative expenses

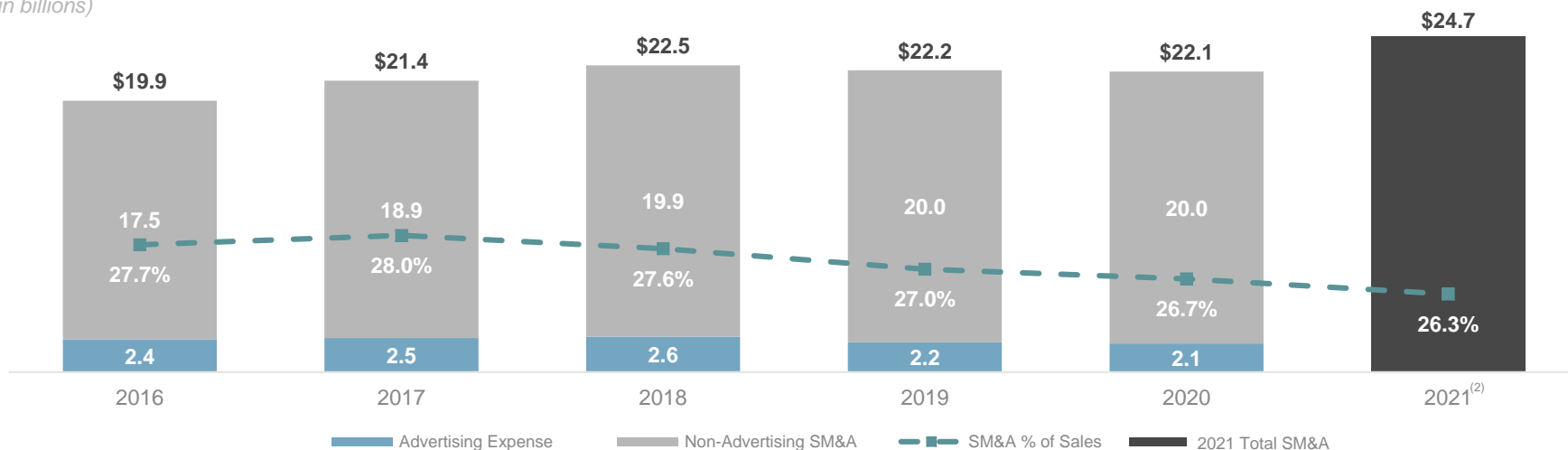
Research and Development (R&D) Expense

(\$ in billions)



Selling, Marketing and Administrative (SM&A) Expense⁽¹⁾

(\$ in billions)



Source: Company SEC filings and presentations

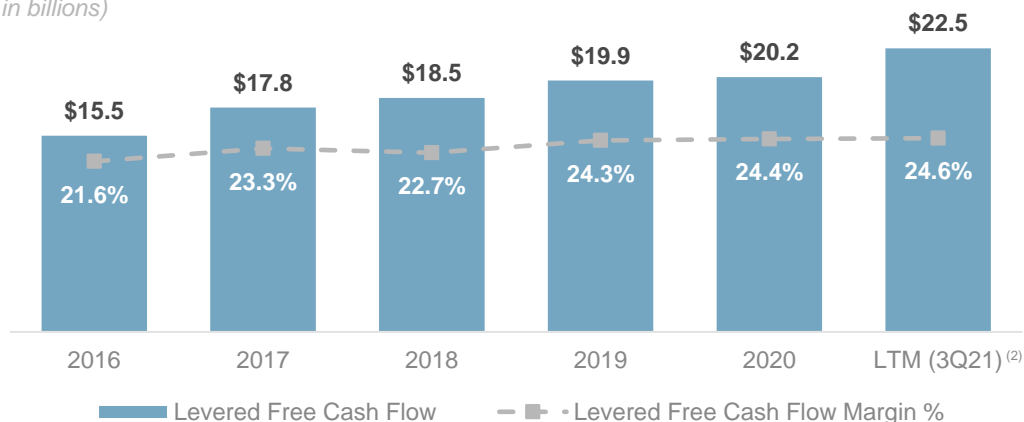
(1) Advertising expense is included within SM&A; (2) Advertising expense for FY 2021 is not yet available at the time of this report

C J&J's Liquidity & Cash Flow Generation

As of the end of its third fiscal quarter 2021, J&J reported over \$31 billion in cash and marketable securities. Factoring in J&J's \$10 billion credit facility brings its total liquidity to approximately \$41 billion. J&J's impressive free cash flow generation has allowed the Company to make the aforementioned significant investments and distributions while maintaining this healthy liquidity profile

Free Cash Flow⁽¹⁾

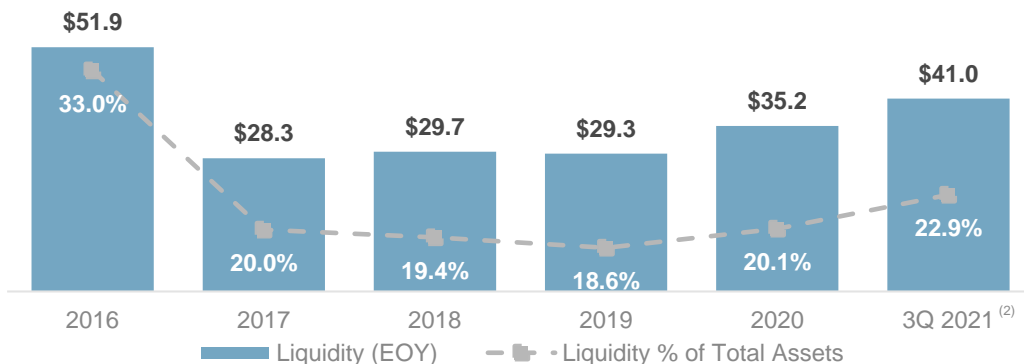
(\$ in billions)



- J&J's free cash flow has grown each year since 2016
- As a percentage of sales, free cash flow has grown by 283 bps
- Over the past 5 calendar years, the Company has reported a cumulative \$92 billion of free cash flow
- J&J's significant, stable cash flow profile points to its ability to self-fund its operating activities, growth initiatives and shareholder distributions

Liquidity⁽³⁾

(\$ in billions)



- Following the \$29.6 billion acquisition of Actelion in 2017,⁽⁴⁾ J&J's liquidity has increased by more than \$12 billion
- J&J's liquidity of \$41.0 billion, on its own, is greater than the market value of over 55% of S&P 500 constituent companies⁽⁵⁾

Source: Company SEC filings and presentations, Bloomberg

(1) Calculated as Net Cash Flow from Operations less Additions to Property, Plant & Equipment

(2) Data for 4Q 2021 is not yet available at the time of this report

(3) Liquidity calculated as the sum of cash, marketable securities and credit facility availability of \$10bn as of the end of 3Q 2021

(4) J&J 2017 10-K, p. 71

(5) Market capitalization as of Jan. 27, 2022

D Segment Overview: Consumer Health

As I do not have detailed financial statements or projections for New or Old JJCI as of the time of this report, I evaluated the publicly available information for J&J's Consumer Health segment as a proxy, specifically the U.S. Consumer Health segment, where such information is available

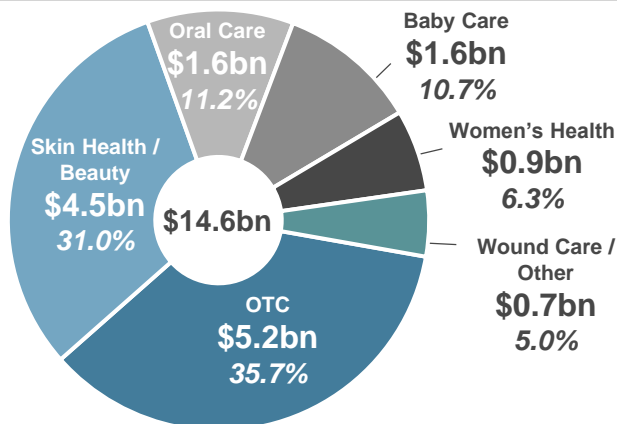
Consumer Health Overview

- The Consumer Health segment includes a broad range of products focused on the major list of sub categories listed below:
- **Skin health/beauty:** Aveeno; Clean & Clear; Neutrogena; and OGX
- **Over-the-counter (OTC):** Tylenol acetaminophen products; Sudafed cold, flu and allergy products; Benadryl and Zyrtec allergy products; Motrin ibuprofen products; Nicorette smoking cessation products; Zarbee's Naturals and the Pepcid line of acid reflux products
- **Baby Care:** Johnson's and Aveeno Baby product lines
- **Oral Care:** Listerine
- **Women's Health:** Stayfree and Carefree sanitary pads and o.b. tampon brands
- **Wound Care:** BAND-AID Brand Adhesive Bandages and Neosporin First Aid product lines
- Products are marketed to the general public and sold online and to retail outlets and distributors around the world

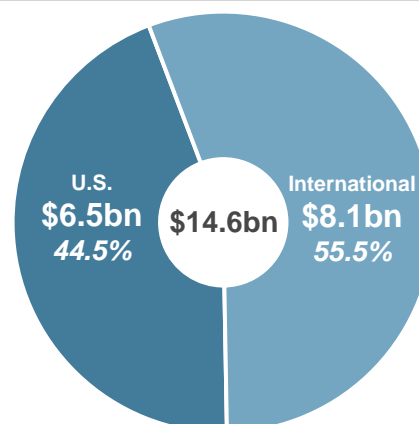
Key Brands and Products



2021 Consumer Health Sales Breakdown by Product



2021 Consumer Health Sales Breakdown by Geography



Neither J&J Nor Old Or New JJCI Needs Bankruptcy to Resolve Talc Litigation

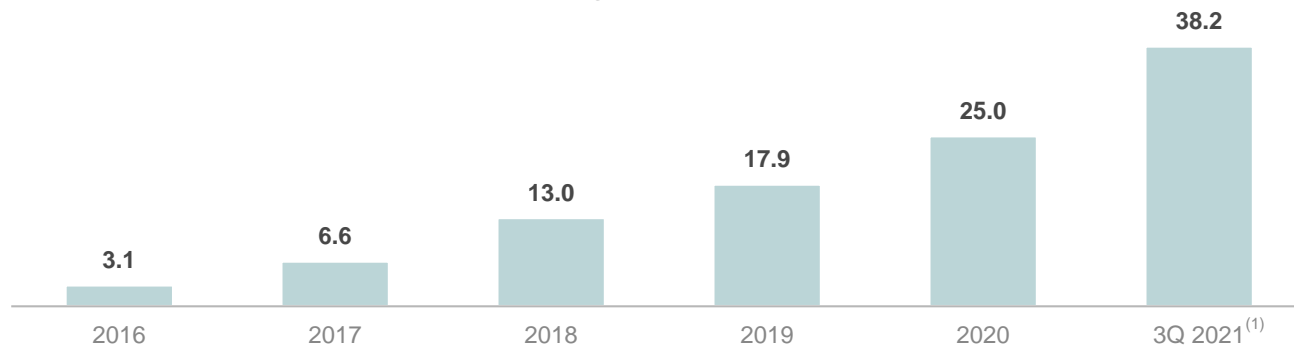
D Consumer Health Performance Amidst Talc Litigation

Despite the increase in talc-related claims filed against J&J and JJCI, the Consumer Health segment has been outperforming prior years in key financial metrics

Pending Talc-Related Lawsuits

(Cases in thousands)

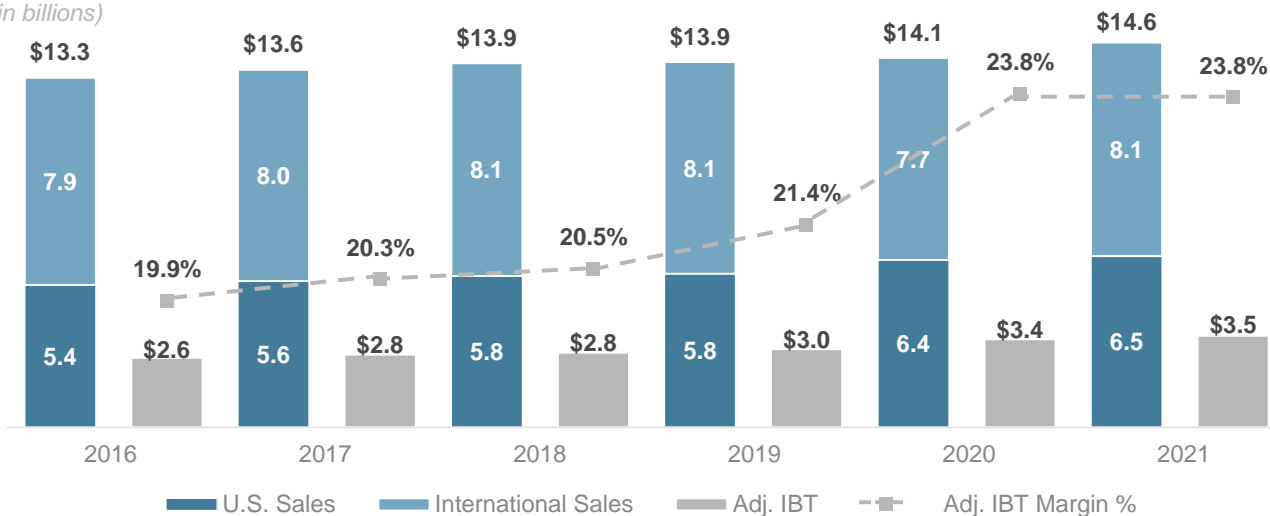
■ Pending Talc-Related Lawsuits



- J&J first listed talc-related claims in its 10-K in 2016
- Since 2016, talc-related lawsuits have grown to over 38,000 cases

Sales & Adjusted Income Before Tax⁽²⁾

(\$ in billions)



- Total Consumer Health sales have grown steadily at a CAGR of 1.9% from 2016 to 2021, with the U.S. portion growing at 3.8%
- Adjusted Income Before Tax Margin has expanded 387 bps over the same period

Source: Company SEC filings

(1) Data for 4Q 2021 is not yet available at the time of this report

(2) Adjusted Income Before Tax ("Adj. IBT") is a non-GAAP metric provided in J&J's Reconciliation of Non-GAAP Measures

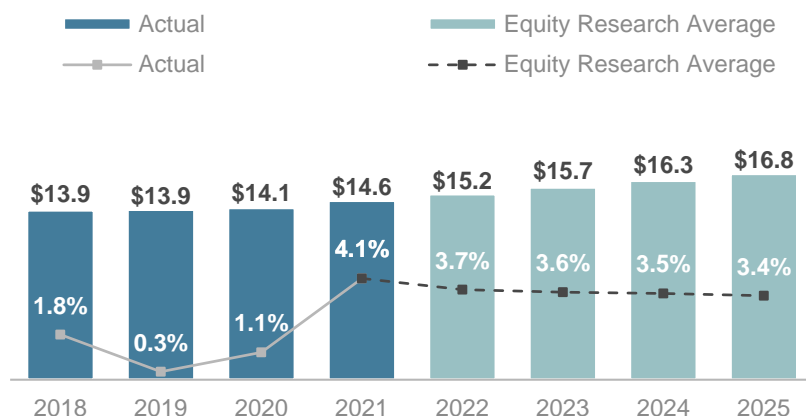
Neither J&J Nor Old Or New J&J Needs Bankruptcy to Resolve Talc Litigation

D Public Market Sentiment on Consumer Health

As shown in the exhibits below, equity research analysts forecast stronger top-line growth and margin expansion for the Consumer Health segment through 2025 than the segment delivered during 2018, 2019, or 2020. Analysts cited the Consumer Health segment's strong brand portfolio⁽¹⁾ and global presence⁽²⁾

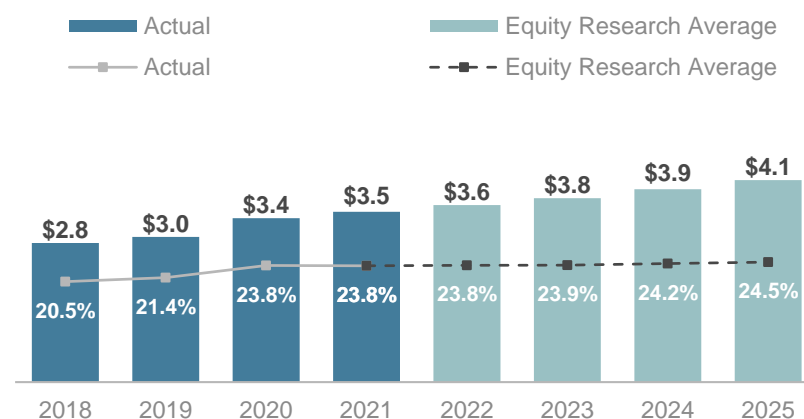
Sales Estimates

(\$ in billions)



Adjusted Income Before Tax Estimates

(\$ in billions)



Select Analyst Commentary During 2021

"J&J Consumer Health is one of the global leaders in the category alongside GSK, Reckitt and others"

Barclays – Nov 2021

"We believe Consumer's improving performance warrants an in-line comp multiple"

Credit Suisse – Nov 2021

"Consumer rounds out the story with durable growth prospects"

Morgan Stanley – Nov 2021

"All in all, we think Consumer remains well on track to deliver growth over the long term thanks to its strong brands"

Société Générale – Mar 2021

Source: Equity research reports

Note: Estimates used in charts are simple averages of estimates from Wells Fargo as of Nov. 12, 2021, Morgan Stanley as of Nov. 12, 2021, Cantor Fitzgerald as of Nov. 18, 2021 and Credit Suisse as of Oct. 20, 2021

(1) "Johnson & Johnson – Diversification to help in navigating the crisis and recovery" – Société Générale, Mar. 22, 2021

(2) "Assessing the Competitive Implications of J&J Consumer Health" – Barclays, Nov. 19, 2021

Neither J&J Nor Old Or New J&J Needs Bankruptcy to Resolve Talc Litigation

D J&J Commentary on Consumer Health's Performance & Outlook

In the months **immediately** leading up to and following LTL's bankruptcy filing, executives at J&J touted the Consumer Health segment's recent performance improvements, its current position of strength, and the opportunity for it to be an industry leader

"Q: And the J&J consumer sector, you said then, and you believe now, is **solidly positioned in the top quartile of the industry for profitability while delivering top-line growth at the same time**. That's a true statement then in September of 2021, and it's a true statement today, right?" "A: Correct."

Thibaut Mongon, EVP and Worldwide Chairman of Consumer Health – January 2022⁽¹⁾

"I want to remark we are doing this [separation of the Consumer Health business] from a position of strength. **This is the best moment of our Consumer Health sector, at least in the last five years**... we have the conviction that this \$15 billion Consumer Health company, **it's going to be a global leader** able to compete in the consumer health industry... **our investors are going to see the strength of our Consumer Health business**, the number of iconic brands, the global scale and our penetration, the unique relationship that consumers have with our brands."

Joaquin Duato, CEO and Director – January 2022⁽²⁾

"I would also say the Consumer Health business specifically, if you look maybe **four or five years ago, we had trouble on a quarterly basis hitting market growth**. **Now we do that routinely and often exceed it**. And the operating margins, which were significantly below the peer set are now at peer set. So even still a little bit of room to run there."

Joseph Wolk, EVP and CFO – November 2021⁽³⁾

"**The consumer segment continues to experience very strong momentum**. So we are very pleased with how **the portfolio continues to perform around the world**... As we get into Q4 and **into 2022, we expect our portfolio of brands continue to be very well positioned** in the markets and categories in which we compete."

Thibaut Mongon, EVP and Worldwide Chairman of Consumer Health – October 2021⁽⁴⁾

"**We are increasing our margin profile, achieving the highest operating profit improvement in our competitive set**, generating approximately 400 basis points of improvement between 2018 and 2020. And so far, in 2021, our adjusted segment IBT improved approximately another 250 basis points versus last year. And this achievement was driven by our efforts on end-to-end profitability enhancement, including portfolio optimization, network improvements and overall cost control."

Thibaut Mongon, EVP and Worldwide Chairman of Consumer Health – September 2021⁽⁵⁾

(1) Mongon Dep. 186:23-187:5, Jan. 19, 2022

(2) "JP Morgan Healthcare Conference, 10-January-2022 9:45 AM ET" per Reorg

(3) "Johnson & Johnson (JNJ-US), Business Update Call, 12-November-2021 8:30 AM ET" per Reorg

(4) "Johnson & Johnson (JNJ-US), Q3 2021 Earnings Call, 19-October-2021 8:30 AM ET" per Reorg

(5) "Johnson & Johnson NYSE: JNJ Company Conference Presentation Friday, September 10, 2021 2:20 PM GMT" per CapIQ

Neither J&J Nor Old Or New J&J Needs Bankruptcy to Resolve Talc Litigation

E J&J previously has dealt with tens of thousands of similar tort claims without resorting to bankruptcy

J&J has significant experience dealing with large product liability cases, but has not used Chapter 11 to resolve these processes

- The company has dealt with many product liability cases, encompassing tens of thousands of plaintiffs, without previously resorting to bankruptcy. Instead, J&J has adjudicated to settlement or trial numerous product liability cases over the years.
- At the end of its fiscal year 2017, J&J reported more than 109,000 active plaintiffs across a range of significant product liability cases,⁽¹⁾ and talc-related cases made up only 6,610 of those cases (see table below).
 - Since then, although talc cases have increased meaningfully, J&J has managed to reduce the number of total plaintiffs across all significant product liability cases.
 - The number of non-talc plaintiffs dropped from 103,300 to 36,800 (a 64% decrease) from 2017 to 3Q 2021, due primarily to the reduction in claims related to pelvic mesh devices.

J&J Significant Product Liability Plaintiffs by Product

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Q3 2021 ⁽²⁾
DePuy ASR	4,700	10,750	12,340	11,200	5,300	2,000	2,000	1,800	1,100	560	300
PINNACLE	860	3,300	5,560	7,300	8,700	9,400	10,000	10,500	10,300	7,800	5,400
RISPERDAL	420	425	500	1,200	10,700	18,500	13,700	13,400	11,900	9,300	9,000
Pelvic Meshes	480	4,000	28,810	36,600	46,700	54,800	53,600	34,800	17,600	14,900	10,700
XARELTO					5,000	16,900	22,900	25,600	29,000	12,600	6,600
Talc						3,100	6,610	13,000	17,900	25,000	38,200
INVOKANA							1,100	1,050	400	300	100
PHYSIOMESH								2,100	3,300	4,200	4,700
Total	6,460	18,475	47,210	56,300	76,400	104,700	109,910	102,250	91,500	74,660	75,000

Source: Company SEC filings

(1) For the avoidance of doubt, this does not include the approximate 3,300 lawsuits filed against J&J regarding its opioid-related products and practices

(2) Data for FY 2021 is not yet available at the time of this report

32% reduction